

NOTE: This order is nonprecedential.

United States Court of Appeals for the Federal Circuit

In Re DATANET LLC,
Petitioner

2024-137

On Petition for Writ of Mandamus to the United States District Court for the Western District of Texas in No. 6:22-cv-01142-OLG-DTG, Judge Orlando L. Garcia.

ON PETITION

Before LOURIE, HUGHES, and STARK, *Circuit Judges*.

PER CURIAM.

O R D E R

Datanet LLC petitions for a writ of mandamus seeking to vacate the order of the United States District Court for the Western District of Texas (“WDTX”) transferring the case to the United States District Court for the Northern District of California (“NDCA”). Dropbox Inc. opposes.

Datanet, a Nevada LLC with operations in Colorado, filed this suit in the WDTX alleging that Dropbox’s file hosting and backup services infringe its patents. Dropbox moved pursuant to 28 U.S.C. § 1404(a) to transfer the case to the NDCA, where it is headquartered. A magistrate

judge initially denied the transfer motion. But on review, the district court determined that the magistrate had clearly erred in refusing to find the sources of proof, compulsory process, cost of attendance for willing witnesses, and local interest factors favored transfer. After correcting for those errors, the court concluded that Dropbox had demonstrated NDCA was clearly more convenient and granted transfer. This petition followed.

Our review of transfer decisions is governed by the law of the regional circuit, here the Fifth Circuit. *In re TS Tech USA Corp.*, 551 F.3d 1315, 1319 (Fed. Cir. 2008). On mandamus review, we ask only whether the decision was such a “clear” abuse of discretion that it produced a “patently erroneous result.” *Id.* (quoting *In re Volkswagen of Am., Inc.*, 545 F.3d 304, 310 (5th Cir. 2008) (en banc)). Under this highly deferential standard, we will not disturb a transfer decision unless it is clear “that the facts and circumstances are without any basis for a judgment of discretion.” *Volkswagen*, 545 F.3d at 312 n.7 (citation omitted). Datanet has not met this demanding standard.

The district court reasonably concluded that the magistrate clearly erred in denying transfer, given, among other things, the magistrate overlooked several party and non-party potential witnesses in NDCA while giving credit to individuals in Texas who were not shown to have relevant and material information; incorrectly assumed that design and development activity had occurred in WDTX; failed to credit sources of proof custodians in NDCA; and gave insufficient weight to the fact that NDCA was where the accused technology was developed and designed, “where the primary technical, marketing strategy, and financial recordkeeping decisions for the accused product are made,” Appx474, and is the forum with “greater relevant factual connection” to the case, Appx484. Datanet has not shown a clear right to disturb those findings.

Accordingly,

IN RE DATANET LLC

3

IT IS ORDERED THAT:
The petition is denied.

FOR THE COURT



Jarrett B. Perlow
Clerk of Court

September 11, 2024
Date